

LINDA LINGLE

July 12, 2006

The Honorable Calvin K. Y. Say, Speaker and Members of the House of Representatives Twenty-Third State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear Mr. Speaker and Members of the House:

Re: HB1923 HD1 SD2 CD1

On July 11, 2006, House Bill No. 1923, entitled "A Bill for an Act Relating to the Hawaii Tourism Authority" became law without my signature, pursuant to Section 16 of Article III of the Constitution of the State of Hawaii.

This bill extends the sunset provision of Act 58 SLH 2004 relating to the Hawaii Tourism Authority (HTA) which allows HTA to appoint or retain attorneys independent of the Attorney General, exempts the Authority from audit and accounting provisions under the Department of Accounting and General Services, and allows the board of directors of the Authority to appoint a sports coordinator exempt from civil service, and pension and retirement laws until June 30, 2010.

This bill is objectionable because it allows the Hawaii Tourism Authority to operate outside the safeguards of State law, continues to micromanage the personnel decisions of the Authority, and creates potential legal difficulties for the State. The exemption from the accounting and auditing provisions of Chapter 40 allows the HTA to spend moneys without regard to transparency, controls, and accountability for funds managed by the State Comptroller.

Additionally, the authorization to hire attorneys independent of the Attorney General potentially creates legal difficulties for the State. As I stated in 2004, retention of special counsel by the HTA can result in inconsistent legal advice when adequate counsel already exists in the Attorney General's office.

Second, the bill continues in statute a provision that contradicts section 26-39 of the Hawaii Revised Statutes that provides for the establishment of positions deemed necessary to carry out the functions of agencies and departments. This bill instructs the Hawaii Tourism Authority to continue an exempt sports coordinator position without regard to personnel laws.

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In 2004, the Legislature passed House Bill 2608, which I returned to the Legislature, indicating I believed the bill should not become law. The concerns I raised at that time are still applicable to this bill.

Therefore, for the foregoing reasons, I allowed House Bill No. 1923 to become law as Act 306 effective July 11, 2006 without my signature.

Sincerely,

LINDA LINGLE